

COASTAL CONSERVANCY

Staff Recommendation

January 18, 2007

LOS CERRITOS WETLANDS

File No. 98-015

Project Manager: Mary Small

RECOMMENDED ACTION: Reversal of the Coastal Conservancy's April 2006 determination that a five-acre parcel, which is the subject of an offer to dedicate fee title (OTD), is unsuitable for the purpose of implementing a resource enhancement program at Los Cerritos Wetlands; designation of the Los Cerritos Wetlands Authority (LCWA) to accept the OTD; and consideration and possible authorization to disburse up to \$30,000 to the LCWA to prepare a feasibility analysis of the use of the five-acre parcel for natural resource restoration purposes under the Los Cerritos Wetlands resource enhancement program.

LOCATION: City of Long Beach, County of Los Angeles

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: Project Location

Exhibit 2: Aerial Photograph

Exhibit 3: Site Photos

Exhibit 4: Letter from California Department of Toxic
Substances Control

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31000 *et seq.* of the Public Resources Code:

"The State Coastal Conservancy hereby reverses its April 2006 determination and now determines that the five acre parcel which is the subject of the Irrevocable Offer to Dedicate Fee Title, recorded as No. 01-2260417 of Los Angeles County Official Records (OTD), is suitable for the purpose of implementing a resource enhancement program at the Los Cerritos Wetlands; and designates the Los Cerritos Wetlands Authority (LCWA), a joint powers authority, to accept this OTD. The Conservancy further authorizes disbursement of an amount not to exceed thirty thousand dollars (\$30,000) to the LCWA to prepare a feasibility analysis of the use of the five-acre parcel for natural resource restoration purposes under the Los Cerritos Wetlands resource enhancement program. This authorization is subject to the following conditions:

1. Prior to the disbursement of any funds, the LCWA shall submit for the approval of the Conservancy's Executive Officer the work plan, budget schedule and any contractors to be used for the analysis.
2. Within two years of the acceptance of the OTD by the LCWA, the LCWA shall conduct the feasibility study and shall submit the feasibility study to the Conservancy's Executive Officer for his/her review.
3. The Conservancy shall approve any transfer of the OTD property by the LCWA if the OTD property is transferred for purposes other than its physical restoration under the Los Cerritos Wetlands resource enhancement program. "

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The project is consistent with the purposes and criteria of Chapter 6 of the Division 21 of the Public Resources Code (Sections 31251-31270) regarding enhancement of coastal resources;
2. The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines."

PROJECT SUMMARY:

Staff recommends that the Conservancy reverse its April 2006 determination regarding the suitability of dedicated property for purposes of implementing a resource enhancement program at the Los Cerritos Wetlands and designate the Los Cerritos Wetlands Authority (LCWA) to accept the OTD.

On May 30, 2001, Southern California Edison made an irrevocable offer to dedicate fee title to a 5.11 acre parcel (the Real Property) in Los Angeles County to the State Coastal Conservancy. This OTD was made pursuant to the amended Consent Decree, recorded on August 17, 2001, in settlement of the matter of Earth Island Institute, Donald May and David Jeffries v. Southern California Edison Company (US District Court, Southern District of California Case No. 90CV1535-B) regarding the impacts of Edison's San Onofre Generating Station. The purpose of the OTD was "to dedicate fee title to the Real Property to implement the Conservancy's resource enhancement program at the Los Cerritos Wetlands". The OTD contains a specific timeline and process for the Coastal Conservancy or its designee to accept the offer or sell the Real Property. The OTD expires and the Conservancy loses all interest in the Real Property on May 30, 2007, unless it is accepted prior to that date.

Under the terms of the OTD, the Conservancy was required to make a determination as to whether the Real Property was suitable for the purpose of implementing a resource enhancement

program at Los Cerritos Wetlands within five years of the execution of the agreement, May 30, 2006. In April 2006, the Conservancy determined that the property was unsuitable for a resource enhancement program at Los Cerritos Wetlands to preserve the Conservancy's ability to sell the property. At the time, it was uncertain whether any of the anticipated Los Cerritos wetlands acquisitions, a vital part of the Conservancy's resource enhancement program, would come to fruition. In its April 2006 staff recommendation, Conservancy staff specifically noted that the Consent Decree provided the Conservancy with the right to reverse such a determination at its discretion prior to May 2007.

In February 2006, the Conservancy approved entering into a Joint Exercise of Powers Agreement (JPA) with the Los Angeles and San Gabriel Rivers and Mountains Conservancy (RMC), and the cities of Seal Beach and Long Beach to create the Los Cerritos Wetlands Authority. The LCWA was formed in March 2006 to provide for a comprehensive program of acquisition, protection, conservation, restoration, maintenance and operation and environmental enhancement of the Los Cerritos Wetlands area consistent with the goals of flood protection, habitat protection and restoration, and improved water supply, water quality, groundwater recharge and water conservation.

In June 2006, the Trust for Public Land purchased 66 acres of property within the Los Cerritos Wetlands area (formerly known as the "Bryant Property") and the LCWA took title to that property. The Coastal Conservancy provided \$7,000,000 in funds for this acquisition as a grant to the Trust for Public Land.

The LCWA now holds 66 acres of property within the Los Cerritos wetlands area, a major first step in the implementation of a resource enhancement program at the Los Cerritos Wetlands. Therefore staff recommends that the Conservancy reverse its April 2006 determination, now determine that the OTD property is suitable for a resource enhancement program at Los Cerritos Wetlands and designate the LCWA to accept the OTD for the purpose of implementing a resource enhancement program at Los Cerritos Wetlands. The LCWA adopted a resolution at its December 8, 2006 meeting indicating its willingness to accept the OTD.

Staff is further recommending that the Conservancy authorize a grant of up to \$30,000 for the LCWA to complete a feasibility analysis of the use of the five-acre parcel for natural resource restoration purposes under the Los Cerritos Wetlands resource enhancement program. The feasibility analysis would include economic and physical evaluation of the five-acre property to determine how it could be used in the Los Cerritos resource enhancement program. This feasibility analysis will ensure that the property's use as part of the Los Cerritos restoration program is considered prior to any decision by the LCWA about future disposition of the property.

Site Description: The Real Property is 5.11 acres of uplands, bordered to the north and east by industrial uses. It is located at the northeast corner of the intersection of North Studebaker Road and Westminster Avenue in Long Beach, California, adjacent to Westminster Avenue on the south and Studebaker Road on the west. The Real Property is within the Los Cerritos Wetlands Authority's jurisdiction. The parcel and its surroundings are generally flat with little vegetation. The Real Property lies on formerly a marsh and low-lying area that has been graded to provide

the present configuration. Dredge spoils were used to bring the site to its current grade. The past use of the area has been an oil field, and an equipment storage area and maintenance facility consisting of office trailers and steel storage containers. Currently the site is vacant.

As part of the agreement with Southern California Edison, Phase 1 and Phase 2 Environmental Assessments of the property have been completed. The California Department of Toxic Substance Control has reviewed the work completed by a contractor to Southern California Edison and determined that the property was suitable for commercial/industrial use (Exhibit 4).

Pacific Energy aboveground bulk oil storage tanks are located to the north and east of the Real Property. Beyond the Pacific Energy tanks, to the north, is the AES Alamitos Generation Station. Beyond the Pacific Energy tanks, to the east, is the San Gabriel River. To the northwest are undeveloped wetlands, oil wells and associated piping, and the Los Cerritos Channel. Located south of the Real Property is Westminster Avenue and across from Westminster Avenue is an undeveloped wetlands area, with localized oil wells, and the San Gabriel River. Studebaker Road lies to the west, and across Studebaker Road are oil fields with active oil wells and undeveloped wetlands.

Project History: The historic and existing wetlands in the Los Cerritos complex have been sought by public agencies and environmentalists for habitat protection and restoration for many years. The Board of Governors of the Southern California Wetland Recovery Project has identified acquisition of these properties as a top priority.

Over the past several years, numerous efforts to acquire these properties have failed. In June 1999, the Conservancy entered into an option to purchase 181 acres of the Bixby property. The option was contingent upon the seller's ability to obtain permits consolidating oil operations; when that permit was denied the option expired.

In June 2006, the LCWA took title to 66 acres of property within the Los Cerritos Wetlands complex known as the "Bryant Property" from a \$7 million grant of Conservancy funds to the Trust for Public Land. Conservancy, WCB, and LCWA staff are also currently engaged in negotiations for the acquisition of the property known as the "Hellman Property".

PROJECT FINANCING:

Coastal Conservancy	\$30,000
Total Project Cost	\$30,000

The intended sources of funds for the Conservancy grant are the Conservancy's FY 05-06 appropriation from the Water Security, Clean Drinking Water, Coastal Beach Protection Fund of 2002 (Proposition 50). Consistent with the purposes of this funding source, the proposed project would be carried out in accordance with the provisions of the Conservancy's enabling legislation and would support projects to protect and restore coastal wetlands.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

Consistent with Section 31350 of the Public Resources Code, the Conservancy's determination of the suitability of the Real Property for the purpose of implementing a resource enhancement program at the Los Cerritos Wetlands effects the intent of the Legislature when it vested authority in the Conservancy to protect and use interests in key coastal resource lands that otherwise would be lost to public use. As the entity designated to accept or otherwise dispose of the dedication which is the subject of this recommendation, the Conservancy would be fulfilling its statutory responsibilities by making the recommended determination.

**CONSISTENCY WITH CONSERVANCY'S
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

The recommended action is consistent with the Conservancy's strategic plan goals and objectives because it would support the overall resource enhancement program at Los Cerritos Wetlands which seeks to enhance coastal wetlands, consistent with Goal 5, Objective A.

**CONSISTENCY WITH CONSERVANCY'S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** The Conservancy's rights and responsibilities under the offer to dedicate are the outcome of litigation brought by a nonprofit public interest organization, Earth Island Institute, and members of the public concerned about the restoration and preservation of the Los Cerritos wetlands complex and Southern California wetlands generally.
4. **Location:** The proposed project would be located within the coastal zone of the City of Long Beach in Los Angeles County.
5. **Need:** The Conservancy needs must act on the OTD by May 30, 2007 or it will lose its interest in the Real Property.
6. **Greater-than-local interest:** The Los Cerritos Wetlands is located along the lower reach of the San Gabriel River, where the river historically migrated back and forth across the coastal plain. Prior to channelization of the river, the Los Cerritos Wetlands included freshwater and brackish wetlands and saltmarsh. It is estimated that the historic wetlands covered more than 1,500 acres. Although the Los Cerritos Wetlands are surrounded by urban development and have been dramatically altered, they continue to provide valuable for a number of species including Cooper's hawk, Elegant tern, Long-billed curlew, Northern harrier, Osprey, and Yellow warbler. The Los Cerritos Wetlands complex offers a rare opportunity to restore

coastal wetlands; within the Southern California region it is estimated that more than 90 of the coastal wetlands have been destroyed.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The 5.11 acre property is in the City of Long Beach's certified Local Coastal Plan (LCP) and its use is currently designated industrial. This authorization does not propose any uses of the property inconsistent with this LCP.

COMPLIANCE WITH CEQA:

Reversal of the Coastal Conservancy's April 2006 determination that a five-acre parcel which is the subject of an offer to dedicate fee title (OTD) is unsuitable for the purpose of implementing a resource enhancement program at Los Cerritos Wetlands and designation of the Los Cerritos Wetlands Authority to accept the OTD do not constitute a "project" under the California Environmental Quality Act (CEQA), pursuant to 14 California Code of Regulations Section 15378, as these actions do not have the potential for resulting in a physical change in the environment.

Authorization of funding for a feasibility analysis is statutorily exempt from the provisions of the California Environmental Quality Act pursuant to 14 California Code of Regulations Section 15262 because the project involves only feasibility and planning studies for possible future actions which have yet to be approved or adopted. Staff will file a Notice of Exemption upon approval of the action.